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**IN THE UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION**

JOHN DOE on Behalf of Himself and
Others Similarly Situated,

Plaintiff,

v.

YARDI SYSTEMS, INC.,
RENTGROW, INC., and CLEARA,
LLC.

Defendants.

Case No.: 2:23-cv-10118

**CLASS ACTION
COMPLAINT AND
DEMAND FOR JURY TRIAL**

**1. FCRA, 15 U.S.C. §
1681, *et seq.***

COMPLAINT

Plaintiff John Doe (“Plaintiff”), on behalf of himself and all similarly situated individuals, brings this case as a class action based on violations of the Fair Credit Reporting Act (“FCRA”), 15 U.S.C. § 1681i, against Defendants RentGrow Inc., (“RentGrow”), Yardi Systems, Inc. (“Yardi”), and an individual claim against

RentGrow, Yardi, and Cleara, LLC., (“Cleara”)(together, “Defendants”) for violations of 15 U.S.C. 1681e(b). Trial by jury is demanded.

INTRODUCTION

1. When the Plaintiff applied for an apartment, he was denied housing when the landlord obtained a tenant screening consumer report from RentGrow, a consumer reporting agency wholly owned and controlled by Yardi.

2. The report contained sex offender information about the Plaintiff that the California Supreme Court determined to be unreportable more than a decade earlier and, thus, was inaccurate in 2023 when RentGrow reported it to Plaintiff’s prospective landlord.

3. It was illegal for RentGrow to report the sex offender information on Plaintiff’s report in the first place, which was made worse when Plaintiff disputed the information to RentGrow and it refused to conduct a reinvestigation unless the Plaintiff first completed a proprietary form.

4. Upon information and belief, RentGrow obtained the sex offender information from Cleara, a third party vendor of criminal public record information that has an agreement to provide such consumer reporting information to RentGrow for use in consumer reports in accordance with its standard practices.

1 5. Stalling or refusing a reinvestigation and failing to forward a dispute to
2 the furnisher of criminal public record information by requiring a consumer to first
3 complete a proprietary form is a well-established violation of the Fair Credit
4 Reporting Act (“FCRA”).
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6 6. The FCRA is a remedial statute that must be liberally construed.
7

8 7. Despite its name, the Fair Credit Reporting Act covers more than just
9 credit reporting, it regulates all “consumer reports.” 15 U.S.C. § 1681(a)(d).
10

11 8. In the parlance of the FCRA, tenant screening reports and background
12 checks are “consumer reports.”

13 9. The FCRA provides a number of protections for applicants who are
14 subject to tenant screening and background reports.
15

16 10. The FCRA imposes duties on consumer reporting agencies, like
17 Defendant, to ensure that “consumer reporting agencies exercise their grave
18 responsibilities with fairness, impartiality, and a respect for the consumer’s right to
19 privacy.” 15 U.S.C. § 1681.
20

21 11. Under 15 U.S.C. § 1681e(b), “whenever a consumer reporting agency
22 prepares a consumer report it shall follow reasonable procedures to assure maximum
23 possible accuracy of the information concerning the individual about whom the
24 report relates.”
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1 12. The FCRA provisions at issue in this case are akin to the common law
2 causes of action of defamation and invasion of privacy.
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4 13. This action seeks class relief for all consumers that have been subjected
5 to RentGrow's illegal conduct in failing to conduct a prompt reinvestigation, as well
6 as an individual action for failure to follow reasonable procedures to assure the
7 maximum possible accuracy of information before publishing that the Plaintiff was
8 a sex offender.
9

10 14. This action seeks statutory and punitive damages, costs, and attorneys'
11 fees for the class for violations of 15 U.S.C. 1681i.
12

13 15. This action seeks actual, statutory and punitive damages, costs, and
14 attorneys' fees for the Plaintiff individually for violations of 15 U.S.C. 1681e(b).
15

16 16. Under the FCRA, when a consumer disputes the accuracy of an item of
17 information to a consumer reporting agency (CRA), the CRA is required to promptly
18 conduct a reasonable reinvestigation and also to send the dispute to the furnisher of
19 the adverse information.
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21 17. CRAs must treat all disputes as *bona fide*.
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23 18. Defendants knew or should have known that they must treat Plaintiff's
24 dispute as *bona fide*.
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1 19. Under 1681e(b), a CRA is liable if it fails to use reasonable procedures
2 to assure maximum possible accuracy about information in the consumer's report
3 before publishing it to a third party.
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5 20. Upon information and belief, RentGrow received the sex offender
6 information about the Plaintiff from a Cleara, or other third party.
7

8 21. RentGrow did nothing to ensure the Cleara or third-party information
9 it published about the Plaintiff was accurate before publishing it to the Plaintiff's
10 prospective landlord.
11

12 22. RentGrow has been sued many times for relying on such information
13 from its third-party suppliers, and thus it knows that the criminal history information
14 it receives from third-parties are prone to inaccuracies that are harmful to consumers.
15

16 23. Despite this knowledge, RentGrow has not adapted its procedures to
17 avoid publishing inaccurate information supplied by third parties.
18

19 24. RentGrow is on notice that criminal record information, including sex
20 offender information, obtained from electronic court records is not reliable unless
21 the information is checked against the original court records.
22

23 25. Most courts that provide electronic access to court records, including
24 California courts, disclaim accuracy and warn users that the information is not
25 warranted as accurate, complete, or timely.
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1 26. Upon information and belief, most contracts between states and public
2 records vendors used by RentGrow contain similar disclaimers that information is
3 accurate, complete, or up to date.
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5 27. Upon information and belief, Cleara's agreements to obtain State of
6 California criminal public records, as well as sex offender public records from other
7 jurisdictions, all contain disclaimers that the information is accurate, complete, or
8 up to date.
9

10 28. RentGrow and Cleara knew or should have known that inaccurate sex
11 offender information makes it nearly impossible for a consumer to obtain rental
12 housing in an apartment complex.
13

14 29. Had RentGrow or Cleara even performed a cursory search of the
15 California public records, it would have discovered no underlying sex offender
16 records existed in California.
17

18 30. Despite this knowledge, Cleara published to RentGrow, and RentGrow
19 in turn published sex offender information about the Plaintiff without verifying its
20 accuracy with the California court and sex offender records.
21

22 31. Under 15 U.S.C. 1681i, as soon as RentGrow received a dispute from
23 Mr. Doe, it should have transmitted the dispute to the furnisher of the sex offender
24 records and commenced its own reinvestigation of the disputed information.
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1 45. RentGrow describes itself as a wholly owned subsidiary of Yardi
2 Systems, Inc., which provides resident screening services to property owners and
3 managers “which may include your credit history, rental history and other publicly
4 reportable civil or criminal records, if any.”
5

6 46. At all relevant times, RentGrow acted through duly authorized agents,
7 employees, officers, members, directors, heirs, successors, assigns, principals,
8 trustees, sureties, subrogees, representatives, and insurers.
9

10 47. Defendant Yardi is a consumer reporting agency, as defined in 15
11 U.S.C. § 1681a(f). On information and belief, Yardi is regularly engaged in the
12 business of assembling, evaluating, and disbursing information concerning
13 consumers for the purpose of furnishing consumer reports, as defined in 15 U.S.C.
14 § 1681a(d), to third parties, such as banks, credit unions, governmental entities,
15 landlords, or merchants.
16

17 48. Yardi’s principal place of business is located at 430 S. Fairview Ave,
18 Santa Barbara, CA 93117 and its registered agent in California is California
19 Registered Corporate Agent (1505) CSC - Lawyers Incorporating Service Registered
20 Corporate 1505 Agent located at 2710 Gateway Oaks Drive, Sacramento, CA 95833.
21

22 49. Upon information and belief, Defendants disburse consumer reports to
23 third parties for monetary compensation.
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1 50. Yardi describes itself as a software company, but has for many years
2 operated as a consumer reporting agency through various products and services
3 including, for example, Yardi Resident Screening, Screening Works Pro, and
4 RentGrow.
5

6 51. In or about July 19, 2017, Yardi issued the following “Resident
7 Screening Client Notification”
8

9
10 To better differentiate between our resident screening services
11 and our traditional property management software, Yardi
12 Resident Screening will become ScreeningWorks PRO on
September 7, 2017.

13 What this means for Yardi clients:
14 After September 7, you will see ScreeningWorks PRO as the
15 product name on Yardi materials, within the screening software
16 interface, on your screening reports and elsewhere. In other
17 words, everywhere you currently see Yardi Resident Screening
or YRS will become ScreeningWorks PRO after the switch.

18 What this means for prospective renters:
19 Consumer-facing screening activities will continue to be
20 administered by RentGrow, which is (and has always been) a
21 wholly owned subsidiary of Yardi Systems, Inc. However,
22 RentGrow will no longer be doing business as Yardi Resident
23 Screening. This means “RentGrow” will replace “RentGrow,
24 Inc. doing business as Yardi Resident Screening” and “YRS”
25 on everything your tenant applicants receive from us including
26 tenant screening reports, adverse action letters, the emails and
27 other information we send to consumers, and on our consumer-
facing website. Similarly, our Consumer Relations team, which
processes applicant disputes and related inquiries, will identify
themselves as RentGrow to consumers who call us directly.
28

1 If you have any questions, please contact your Account
2 Manager or Customer Service at (800) 736-8476 and choose
3 option 1.

4 Thank you!

5 RentGrow, Inc. dba Yardi Resident Screening
6 400 Fifth Avenue Suite 120 | Waltham, MA 02451
7 tel 800.736.8476 | fax 800.819.5182 | www.yardi.com

8 52. Both Yardi and RentGrow have the same President, Chief Executive
9 Officer, and Chief Financial Officer, Anant Yardi.

10 53. Upon information and belief, Anant Yardi directs the conduct of both
11 RentGrow and Yardi as if they are one and the same.

12 54. Both Yardi and RentGrow share executives and board members Jay
13 Shobe and Laurie Diaz.

14 55. There are Yardi employees who physically work at RentGrow offices,
15 such as Patrick Hennessey.

16 56. Upon information and belief, Yardi holds itself out as a consumer
17 reporting agency.

18 57. Yardi's data center is physically located within the geographic
19 boundaries of the Central District of California.

20 58. RentGrow's registered agent with the U.S. Copyright Office is Jill
21 Smith, Yardi Systems, Inc., 430 S. Fairview Avenue, Santa Barbara, CA, 93117,
22 phone 805-699-2040.

1 59. Yardi ScreeningPro and RentGrow consumer reports are practically
2 identical.

3
4 60. Upon information and belief, Yardi and RentGrow consumer reports
5 utilize the same servers, databases, third-party vendors, and Yardi Voyager PHA
6 platform.

7
8 61. At all relevant times, Defendants acted through duly authorized agents,
9 employees, officers, members, directors, heirs, successors, assigns, principals,
10 trustees, sureties, subrogees, representatives, and insurers.

11
12 62. Defendants' violations were not made in good faith conduct of their
13 business but were made intentionally or in reckless disregard of the Plaintiff's rights
14 because Defendant did not maintain procedures reasonably adapted to avoid any
15 such violation.

16
17 63. Reference to either Defendant in the singular includes both Defendants
18 because the control, direction, ownership, systems, and practical reality is that Yardi
19 and RentGrow act in concert and as one and the same.

20
21 64. Cleara, LLC is a Pennsylvania Corporation with a principal place of
22 business in Hagerstown, MD. Cleara obtains criminal public records from the State
23 of California for the purpose of gathering and selling such consumer reporting
24 information about consumers who were or are residents of California.
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1 65. Cleara markets itself as a provider of “background screening data you
2 can trust” primarily for employment, tenant and volunteer screening.
3

4 66. Cleara is a consumer reporting agency as that term is defined in the
5 FCRA, that sells consumer reporting information to consumer reporting agencies
6 such as RentGrow, who then use the Cleara consumer report by repackaging it with
7 other consumer information that it sells to additional users such as the landlord in
8 this case.
9

10 67. Cleara is “proud to work with the top industry associations” including
11 PBSA, the Professional Background Screening Association, and NAA, the National
12 Apartment Association.
13

14 68. Cleara markets itself as having leadership with “over 85 years” of
15 combined experience, with officers who are members of the PBSA and the National
16 Consumer Reporting Association.
17

18 69. Cleara’s officers have decades of experience working for other
19 consumer reporting agencies such as First Advantage, Core Logic, SafeRent, Trans
20 Union, Experian, Innovative Enterprises, Appriss, RealPage.
21

22 70. Cleara markets its Non-registered database (NRD), so their customers
23 can “identify individuals who show up ‘clean’ in conventional databases, and
24 actively sells itself as locating “offenders who have not been reported through
25 traditional county, federal and national Sex Offender Registry (SOR) databases.”
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1 subject to sex offender registration and terminated the requirement pursuant to
2 California law as of April 6, 2012.

3
4 78. The Attorney General of California sent notice of this decision to the
5 Plaintiff. (Ex. 1).

6 79. The State of California does not have Plaintiff listed as a sex offender.

7
8 80. Any state sex offender registry that listed Plaintiff as a sex offender
9 based on a California record did so falsely.

10 81. Furthermore, there is no record of the charge or conviction anywhere in
11 California's public records.

12
13 82. In or about March 21, 2023, Plaintiff applied to rent an apartment at
14 Silver Creek in Tulsa, Oklahoma.

15
16 83. The apartment company contracts with RentGrow to provide consumer
17 reports, also called tenant screening or background reports, about potential tenants.

18
19 84. Upon information and belief, Yardi and/or RentGrow obtained the
20 criminal public records information from Cleara, which Yardi and/or RentGrow then
21 repackaged the consumer information with other consumer reporting information as
22 a RentGrow tenant screening consumer report.

23
24 85. RentGrow sold that tenant screening consumer report about Mr. Doe to
25 Silver Creek on or about March 21, 2023.

1 86. The consumer report contained erroneous sex offender information
2 about Mr. Doe, which caused Silver Creek to refuse to rent him an apartment.
3

4 87. Upon information and belief, RentGrow obtains criminal record and
5 sex offender information from Cleara and other third-party vendors, and not from
6 the original jurisdiction.
7

8 88. The original jurisdiction to obtain criminal information, including sex
9 offender information, in this case is the State of California.
10

11 89. On or around October 2, 2023, Mr. Doe personally and directly emailed
12 a written dispute to the Defendant regarding the inaccurate report Defendant
13 provided to Silver Creek via email to RentGrow's email address.
14

15 90. In this written dispute, Mr. Doe provided his full name, address,
16 telephone number, date of birth and his social security number.
17

18 91. He also included a copy of his government-issued identification as
19 proof of his identity and a copy of the letter from the Attorney General of California
20 demonstrating he was not subject to sex offender registration.
21

22 92. Instead of promptly commencing a reinvestigation of the dispute and
23 correcting the erroneous information in his tenant screening report, RentGrow
24 refused to reinvestigate unless Mr. Doe completed a special form and returned it to
25 RentGrow. A copy of this correspondence is attached. (Ex.2)
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1 93. RentGrow is on specific notice due to multiple lawsuits, including class
2 actions that have been filed against consumer reporting agencies for this very
3 conduct, failing to conduct a reasonable reinvestigation of erroneous information
4 collected from a third party without first ensuring that the information was
5 maximally accurate.
6

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8 94. Since at least 1990, the FTC has made clear that a CRA's obligation to
9 investigate a disputed item cannot be made contingent upon any special
10 requirements other than submission of a dispute.
11

12 95. RentGrow knows that it is a consumer reporting agency governed by
13 the FCRA, which FCRA information appears on its "Frequently Asked Questions"
14 page of its website.
15

16 96. The Yardi website's FCRA dispute information FAQ states that "Yardi
17 maintains a robust applicant-friendly webpage" which includes a link to directs
18 consumers to the RentGrow website for "a wealth of important and helpful
19 information for applicants." [https://www.yardi.com/products/resident-](https://www.yardi.com/products/resident-screening/support-links/customer-support/)
20 [screening/support-links/customer-support/](https://www.yardi.com/products/resident-screening/support-links/customer-support/) and [https://www.rentgrow.com/last](https://www.rentgrow.com/last-visited)
21 [visited](https://www.rentgrow.com/last-visited) October 31, 2023.
22
23

24 97. Instead of implementing and following procedures reasonably likely to
25 address erroneous sex offender information from appearing in its reports, RentGrow
26 blindly reports information it receives from Cleara and other third parties without
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1 ensuring that the information is maximally accurate or ensuring that Cleara's or other
2 third party's supplier's procedures are designed to assure maximum possible
3 accuracy.
4

5 98. RentGrow is also on express notice that the United States Department
6 of Justice *disclaims* that the information on the National sex offender registry is
7 accurate, complete, or up to date. "the Department makes no claims, promises, or
8 guarantees about the accuracy, completeness, or adequacy of the contents of this
9 site."
10

11 99. Cleara is also on express notice that the United States Department of
12 Justice *disclaims* that the information on the National sex offender registry is
13 accurate, complete, or up to date. "the Department makes no claims, promises, or
14 guarantees about the accuracy, completeness, or adequacy of the contents of this
15 site."
16

17 100. RentGrow is on notice that it should not publish sex offender registry
18 information unless it consults court records from the originating jurisdiction.
19

20 101. Cleara is on notice that it should not publish sex offender registry
21 information unless it consults court records from the originating jurisdiction.
22

23 102. Cleara specifically markets its ability to obtain criminal record and sex
24 offender consumer information that isn't available in public records or sex offender
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1 registries, therefore it runs a greater risk of publishing false or illegal information
2 about consumers.

3
4 103. Upon information and belief, Cleara provided consumer information,
5 including the criminal records at issue in this case, based on Cleara's own database
6 and records and its public records searches.

7
8 104. Cleara represents on its website that its "modern approach" "combines
9 billions of records searched without own proprietary data, innovative processes
10 utilizing machine learning and artificial intelligence."

11
12 105. Further, Cleara proclaims on its website that it relates to the provision
13 of criminal records, it maintains the most powerful "multi-state, multi-jurisdictional,
14 multi-county search in the industry consisting of over 1,000 unique sources and 650
15 records."

16
17 106. Yet, despite Cleara's public-facing marketing representations, Cleara
18 reported Plaintiff as a sex offender despite the fact that records were (i) juvenile
19 records, (ii) that were determined by the California Supreme Court and Attorney
20 General to not be reportable more than a decade earlier, (iii) the underlying court
21 records did not even exist at the time Cleara sold the Plaintiff's consumer
22 information to RentGrow.
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1 107. Cleara has a public-facing marketing plan that allows it to gather,
2 compile and sell consumer reports containing criminal record information that are
3 not public and, in the case of the Plaintiff, based on criminal records that do not exist.
4

5 108. As a result, Cleara does not follow reasonable procedures to assure that
6 the consumer information it sells to other CRAs is maximally accurate.
7

8 109. Upon information and belief, because RentGrow did not promptly
9 commence a reinvestigation, it did not provide the dispute to Cleara or other third-
10 party furnisher of criminal public records and sex offender records.
11

12 110. Upon information and belief, RentGrow did not supply all relevant
13 information regarding the dispute that it received from the consumer to Cleara or
14 other third-party furnisher of criminal public records and sex offender records.
15

16 111. Had RentGrow done the bare minimum of checking publicly available
17 records, it would have discovered that there are no California, Texas, or other
18 criminal public records that justify the sex offender registration under Plaintiff's
19 name.
20

21 112. Before it would commence a reinvestigation, RentGrow required Mr.
22 Doe to submit a special form, along with a copy of his government-issued
23 identification such as driver's license, which identification he already provided.
24

25 113. RentGrow informed Mr. Doe that it would not process the dispute
26 unless he provided information and documentation he had already provided,
27
28

1 including: Full name, social security number, Date of birth and A copy of
2 government issued identification card such as driver's license.
3

4 114. Upon information and belief, any consumer that sends a dispute to
5 Yardi is also first required to complete a proprietary form that is the same or similar
6 to the form required by RentGrow.
7

8 115. Yardi and RentGrow Defendants have been expressly on notice that
9 they may not delay or avoid conducting a reinvestigation by requiring a consumer
10 to first fill out a form by the plain language of the statute.
11

12 116. The Consumer Financial Protection Bureau (CFPB) has issued a
13 circular with direct application to the Defendants' use of a specialized form, calling
14 it an "obstacle that deter(s) submission of disputes" in Circular 2022-07.
15

16 117. CFPB Circular 2022-07 specifically provides that "requiring any
17 specific format or requiring any specific attachment such as a copy of a police report
18 or consumer report beyond what the statute and regulations permit" violates the
19 FCRA.
20

21 118. CFPB Circular 2022-07 specifically states that it is illegal for the CRA
22 such as Defendants to "evade the obligation to investigate disputes by requiring
23 consumers to submit particular items" including "a completed proprietary form
24 before investigating the consumer's dispute."
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1 119. CFPB Circular specifically provides that it is a violation of the FCRA
2 when a CRA fails to promptly provide to the furnisher “all relevant information”
3 regarding the dispute that the CRA receives from the consumer.
4

5 120. Even before the issuance of the CFPB Circular, Yardi and RentGrow
6 Defendants knew or should have known that erecting such obstacles in order to delay
7 or avoid their duties under 1681i, violated the statute.
8

9 121. Because the Yardi and RentGrow Defendants knew or should have
10 known their conduct violated the FCRA, and its intent and/or effect deprives
11 consumers of their right to a reinvestigation by the CRA, investigation by the
12 furnishers, and ultimate correction of the inaccurate information in order to assure
13 maximum possible accuracy of the information reported about the Plaintiff and the
14 putative class.
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17 122. Upon information and belief, Yardi and RentGrow Defendants do not
18 make money by processing disputes from customers.
19

20 123. In fact, reinvestigating disputes is purely an expense for Defendants. As
21 a result, it is in Defendants’ pecuniary interest to reject disputes for any possible
22 reason, because doing so saves money.
23

24 124. Upon information and belief, Yardi and RentGrow Defendants treated
25 Mr. Doe the same way that it treated all consumers who disputed the accuracy of
26 their consumer reports during the class period.
27
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1 125. Upon information and belief, Yardi and RentGrow Defendants did not
2 make a mistake when they responded to the Plaintiff's dispute by requesting a special
3 form be completed first in accordance with their policies and procedures.
4

5 126. Yardi and RentGrow Defendants followed their policies and procedures
6 in responding to Mr. Doe's dispute.
7

8 127. Yardi and RentGrow Defendants followed their policies and procedures
9 in the preparation of Mr. Doe's consumer report.
10

11 128. Yardi and RentGrow Defendants did not make a mistake when they
12 included the sex offender information regarding the Plaintiff in the consumer report
13 they sold to Silver Creek in accordance with their policies and procedures.
14

15 129. Plaintiff was denied the apartment at Silver Creek due to inaccurate
16 credit report as a direct result of the inaccurate RentGrow report.
17

18 130. Not only that, but Plaintiff was deprived of his right to have his *bona*
19 *fide* dispute promptly reinvestigated by Yardi and RentGrow and forwarded to the
20 furnisher of the inaccurate information by placing an illegal barrier to complete a
21 form first.
22

23 131. As a direct result of Yardi and RentGrow Defendants action and
24 inaction described in this Class Action Complaint, Plaintiff has suffered loss of
25 housing, physical injuries and sickness resulting from emotional distress and mental
26 anguish of sex offender registry information appearing on his consumer report, this
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1 information being transmitted to a prospective landlord, being the object of ridicule,
2 being prevented and discouraged from seeking correction of the report, lost time,
3 money, and labor spent on correcting the inaccuracy in vain. These are unique
4 injuries for which the Plaintiff seeks individual relief for the Yardi, RentGrow and
5 Cleara Defendants' failure to follow reasonable procedures to assure the maximum
6 possible accuracy of the sex offender information before publishing it to a third party.
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9 132. Plaintiff has suffered injuries resulting in actual damages from
10 Defendants' RentGrow's and Yardi's failure to promptly reinvestigate his dispute
11 and send it to the furnisher, but the Plaintiff has elected to forego such damages in
12 order to seek statutory and punitive damages on behalf of the class. These injuries
13 are the same injuries suffered by each member of the class.
14
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16 133. The Yardi and RentGrow Defendants' conduct is the very conduct that
17 Congress sought to curb when it enacted the FCRA.
18

19 134. The shirking of Defendants' statutory mandates is exactly the conduct
20 that the CFPB Circular addressed.
21

22 135. The injuries suffered by Plaintiff and the putative class are the injuries
23 that Congress sought to address and remedy when enacting the FCRA, including its
24 statutory damages, punitive damages, and fee-shifting provisions.
25

26 136. In the alternative, all Defendants' conduct was negligent in the
27 preparation and publication of the Plaintiff's consumer report.
28

1 **140. Common Questions of Law or Fact: Fed. R. Civ. P. 23(a)(2) &**
2 **23(b)(3).** Common questions of both law and fact exist as to all members of each
3 putative class. The common factual and legal issues predominate over any potential
4 individual issues. The questions that predominate over questions affecting only
5 individual class members include but are not limited to: (a) whether Plaintiff and
6 each putative class member were requested to submit an additional form in response
7 to their dispute under 15 U.S.C. § 1681i ; (b) whether Plaintiff's dispute was *bona*
8 *fide*; (c) whether Defendants failed to promptly transmit the dispute to the furnisher
9 of such disputed information, (d) whether the Defendants' failed to promptly
10 commence a reinvestigation; (e) whether the Defendants' reading of their FCRA
11 reinvestigation obligations was objectively reasonable; and (f) whether Defendants'
12 violations were negligent, reckless, knowing or intentionally committed in disregard
13 for the rights of the Plaintiff and putative class members; (g) whether Defendants'
14 conduct was applied to all members of the class; (h) .

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20 **141. Typicality. Fed. R. Civ. P. 23(a)(3).** Plaintiff's claims are typical of the
21 claims of each putative class member. Although the claims of the Plaintiff and class
22 members do not need to be identical, in this case, the Plaintiff's claims are identical
23 to the putative class members. Defendant RentGrow requested the Plaintiff and each
24 class member to submit a form in addition to their dispute letter, which mandated
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1 reasonable investigation, in direct violation of the FCRA. The Plaintiff's claim and
2 the class member's claims are based on the same facts and legal theories.
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4 **142. Adequacy of Representation. Fed. R. Civ. P. 23(a)(4).** Both Plaintiff
5 and his counsel are adequate to represent the interests of the class. Plaintiff's
6 interests are coincidental, and are not antagonistic, to the interest of the class
7 members. Plaintiff has retained experienced counsel who are competent in both class
8 action litigation and the Fair Credit Reporting Act. Neither Plaintiff nor counsel have
9 interests that prevent vigorous prosecution of the case on behalf of the class.
10

11 **143. Superiority and Predominance. Fed. R. Civ. P. 23(b)(3).** Questions
12 of law and fact common to the Class members predominate over questions affecting
13 only individual members, and a class action is superior to other available methods
14 for fair and efficient adjudication of the controversy. The damages sought by each
15 member are such that individual prosecution would prove burdensome and
16 expensive. It would be next to impossible for all class members to each find a lawyer
17 and afford individual litigation. Individualized litigation presents the possibility for
18 inconsistent outcomes and contradictory judgments, increases delay and expense to
19 all parties and to the courts. By contrast, the class action device will result in
20 substantial benefits to the litigants and efficiency for the Court by allowing the Court
21 to resolve numerous individual claims based on a single set of proofs.
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COUNT I

**Violation of 15 U.S.C. 1681i(a)(1)(A)
Class Claim for failure to Conduct a Reasonable Reinvestigation
against Yardi and RentGrow**

144. Plaintiff relies on the foregoing factual allegations that form the basis of the complaint against Defendants for violation of their duties to conduct a reasonable reinvestigation of the Plaintiff's dispute.

145. Defendants were required to treat the Plaintiff's dispute as a bona fide dispute and promptly commence a reinvestigation.

146. Instead, Defendants responded to the Plaintiff that he had to complete a proprietary form.

147. Defendants knowingly or recklessly implemented and followed the procedure to delay or deny the Plaintiff's right to a reasonable reinvestigation in order to save money for itself.

148. Defendants were on actual notice that their policy and procedure violated the FCRA, yet chose to implement the illegal policy anyway.

149. Defendants conduct injured the Plaintiff and the putative class by depriving them of their right to a prompt, reasonable reinvestigation by the CRA, thus also depriving them of an investigation by the Furnisher.

150. Defendants conduct was willful because it was in direct contravention of the express requirements of the FCRA, as well as FTC and CFPB guidance.

1 157. Instead, Defendants responded to the Plaintiff that he had to complete
2 a proprietary form.

3
4 158. Defendants knowingly or recklessly implemented and followed the
5 procedure to delay or deny the Plaintiff's right to have the furnisher of the disputed
6 information conduct a reasonable investigation in order to save money for itself.

7
8 159. Defendants were on actual notice that their policy and procedure
9 violated the FCRA yet chose to implement the illegal policy anyway.

10
11 160. Defendants conduct injured the Plaintiff and the putative class by
12 depriving them of their right to a prompt, reasonable investigation by the furnisher.

13 161. Defendants conduct was willful because it was in direct contravention
14 of the express requirements of the FCRA, as well as FTC and CFPB guidance.

15
16 162. Defendants are liable to the Plaintiff and putative class for statutory
17 damages of between \$100-1000 for each occasion on which Defendants failed to
18 promptly forward the Plaintiff and class members disputes to the furnisher of the
19 disputed information.

20
21 163. Defendants are liable for punitive damages, which are uncapped, for
22 their willful violations.

23
24 164. In the alternative, Defendants are liable to Plaintiff and the putative
25 class for its negligent violations of the statute, entitling them to actual damages.

1 165. Defendants are liable to the Plaintiff and the putative class for
2 reasonable attorneys' fees and costs.

3
4 **COUNT III**
5 **Violation of 15 U.S.C. 1681e(b)**
6 **Individual Claim for failure to follow reasonable procedures to assure**
7 **maximum possible accuracy**
8 **Against All Defendants**

9 166. Plaintiff relies on the foregoing factual allegations that form the basis
10 of the complaint against Defendants for violation of their duties to follow reasonable
11 procedures to assure maximum possible accuracy in the preparation of Plaintiff's
12 consumer report.

13 167. Defendants' unreasonably deficient procedures allowed them to
14 incorrectly report outdated and inaccurate criminal records, such as the sex offender
15 records in this case, on consumer reports concerning Plaintiff.

16
17 168. Defendants' failure to follow reasonable procedures while preparing
18 and distributing Plaintiff's consumer information caused Plaintiff's injuries resulting
19 in actual damages including loss of housing, lost time, labor, loss of money, physical
20 injuries and sickness as a result of emotional distress and mental anguish, damage to
21 his reputation, ridicule and humiliation, as described herein.

22
23
24 169. Defendants' violations of the FCRA were willful in reckless disregard
25 of Plaintiff's rights as a consumer, entitling the Plaintiff to actual, statutory and
26 punitive damages.
27
28

1 170. Defendants' conduct put the Plaintiff at great risk of injury due to their
2 practices of gathering, compiling and disbursing consumer reports that contain
3 criminal record and sex offender consumer information that is not available in public
4 records.
5

6 171. In the alternative, the Defendants' conduct was negligent, entitling
7 Plaintiff to actual damages.
8

9 172. Accordingly, Defendants are liable for Plaintiff's reasonable attorney's
10 fees and costs.
11

12 **PRAYER FOR RELIEF**
13

14 **WHEREFORE**, the Plaintiff and the putative class members demand that this
15 Court enter judgment against Defendants RentGrow Inc., and Yardi System Inc., for
16 the following:
17

18 A. Certifying the Class as described above pursuant to Fed. R. Civ.
19 P.23(b)(3);
20

21 B. Declaration that their FCRA rights were violated by Defendants;
22

23 C. Judgment for statutory and punitive damages for willful Defendants'
24 willful violations of the FCRA;
25

26 D. Judgment for reasonable attorneys' fees and costs, pre-judgment and
27 post-judgment interest at the legal rate; and
28

E. Such other relief the Court deems just, equitable, and proper.

1 F. Pursuant to Federal Rule of Civil Procedure 38, Plaintiff hereby
2 demands a trial by jury of all issues triable by jury.
3

4 **DEMAND FOR JURY TRIAL**

5 Plaintiff is entitled to and hereby demands a trial by jury on all issues so
6 triable.
7

8 Respectfully submitted this 1st day of December 2023,

9 *By: /s/ Jenna Dakroub*

10 Jenna Dakroub, CA # 350170

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